

(6) Processing and Sales of Inventory. So long as Borrower is not in default hereunder, Borrower shall have the right, in the regular course of business, to process and sell Borrower's Inventory. Bank's security interest hereunder shall attach to all proceeds of all sales or other dispositions of Borrower's Inventory.

(7) Other Agreements of Borrower:

(a) Borrower will at all times keep accurate and complete records of Borrower's Inventory and Equipment within the State of South Carolina, and Bank, or any of its agents, shall have the right to call at Borrower's place or places of business at intervals to be determined by Bank, and without hindrance or delay, to inspect Borrower's Inventory and Equipment and to inspect, audit, check and make extracts from the books, records, journals, orders, receipts, correspondence and other data relating to Borrower's Inventory and Equipment or to any other transactions between the parties hereto.

(b) Borrower will at all times keep the Inventory and Equipment insured in such form, in such companies, in such amounts and against such risks as may be acceptable to Bank with provisions satisfactory to Bank for payment of all losses thereunder to Bank as its interests may appear, and, if required, to deposit the policies with Bank, any sums received by Bank in payment of losses under said policies may, at Bank's option, be applied on the account owing hereunder whether or not the same is then due and payable, or may be delivered by Bank to Borrower for the purposes of repairing or restoring said Inventory and Equipment. Borrower hereby assigns to Bank any return or unearned premium which may be due upon cancellation of any such policies for any reason and directs the insurers to pay Bank any amount so due. Bank is hereby appointed Borrower's Attorney-in-Fact to endorse any draft or check which may be payable to Borrower in order to collect such return or unearned premium or the benefits of such insurance.

(c) If Borrower shall fail to pay when due any amount payable on any of the loans made hereunder or on any other indebtedness of Borrower secured hereby, or shall fail to observe or perform any of the provisions of this agreement, Borrower shall be in default hereunder. When Borrower is so in default, all of such loans and other indebtednesses secured hereby shall become immediately due and payable at Bank's option without notice to Borrower.

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